



UNITED STATES RAILROAD RETIREMENT BOARD
844 NORTH RUSH STREET
CHICAGO, ILLINOIS 60611-2092

FORM RRB-1099-R (12-92) Tax Statement General Information

The Form RRB-1099-R (12-92) tax statement(s) enclosed is issued by the U.S. Railroad Retirement Board (RRB) and represent(s) the payments made to you in the tax year(s) indicated on the tax statement(s). You will need to determine if any of the railroad retirement payments made to you are taxable. Explanations of items on the Form RRB-1099-R (12-92) are found on the back side of this sheet.

Form RRB-1099-R (12-92) reports the total gross paid, repaid and the related U.S. Federal income tax withheld from the Non-Social Security Equivalent Benefit (NSSEB) portion of tier 1, tier 2, vested dual benefit (VDB), and supplemental annuity payments. These payments are treated as private pensions for U.S. Federal income tax purposes. Railroad retirement payments are **not** taxable for state income tax purposes.

There are two boxes located at the top left hand side of Form RRB-1099-R (12-92) indicated as **CORRECTED** or **DUPLICATE**. One of these is checked when either a corrected or duplicate Form RRB-1099-R (12-92) is prepared. Both boxes are checked if the Form RRB-1099-R (12-92) is a duplicate of a previously corrected Form RRB-1099-R (12-92). Neither box will be checked if this is an original Form RRB-1099-R (12-92). You may receive more than one Form RRB-1099-R (12-92) for the tax year indicated. Each Form RRB-1099-R (12-92) is valid and should be included when you file your U.S. Federal income tax return for the tax year indicated. However, do **not** use the original Form RRB-1099-R (12-92) when you file your income tax return if you received a duplicate or corrected Form RRB-1099-R (12-92) for that same tax year. If you are required to file an income tax return, a negligence penalty or other sanction may be imposed on you if the income is taxable and the Internal Revenue Service (IRS) determines that it has not been reported.

NOTE: Form RRB-1099-R (12-92) is only used for all duplicate requests for tax years 1991 or earlier. However, effective January 1, 1993 and later, Form RRB-1099-R (12-92) was no longer used for any corrected requests for tax years 1991 or earlier and any duplicate requests for tax years 1992 or later.

Generally, if you are a U.S. citizen you may also receive Form RRB-1099 or if you are a nonresident alien you may receive Form RRB-1042S in addition to Form RRB-1099-R (12-92). Both the Forms RRB-1099 and RRB-1042S report the Social Security Equivalent Benefit (SSEB) portion of tier 1. If you are affected by the General Rule provisions, you must compute the taxable and nontaxable amounts of your annuity payments shown on your Form RRB-1099-R (12-92). If you are using the Simplified General Rule, refer to the Simplified General Rule worksheet in the **Instructions for Form 1040 and/or Form 1040A Booklet(s)** to determine your taxable amount. For more detailed information, refer to **IRS Publication 575, Pension and Annuity Income**. If you choose to compute your taxable contributory amount using the Simplified General Rule method, use the amounts in Boxes 4, 14, and 15 and the number of monthly payments you received in the tax year indicated on each Form RRB-1099-R (12-92). If you are **not** using the Simplified General Rule, refer to **IRS Pub 939, General Rule for Pensions and Annuities**, to determine your taxable amount. If you previously computed your nontaxable amount, you may continue to use it. For widow(er)s that were paid as a spouse for part of the tax year, use only the annuity payments you received as a widow(er) to figure your nontaxable amount.

The totals reported on your Form RRB-1099-R (12-92) may not equal the total amount of NSSEB, tier 2, VDB, and supplemental annuity payments received during the tax year indicated. For beneficiaries receiving Medicare, the difference is the total amount of Medicare premiums paid during the tax year indicated. Amounts shown on tax statements issued by the RRB are **before** any deduction for Medicare. In addition, we do not show the total Medicare premium total on Form RRB-1099-R (12-92).

If you have any questions about how to figure your taxable payments and/or what amounts to show on your income tax returns, contact your own tax preparer or the IRS. However, questions about railroad retirement benefit payments should be referred to the RRB. When contacting the RRB about your Form RRB-1099-R (12-92), always give your claim number and payee code shown in Box 1 of your Form RRB-1099-R (12-92). The recipient's identification number in Box 2 of the Form RRB-1099-R (12-92) is the social security number for the person listed as the recipient. You should contact your nearest RRB field office for local assistance with your inquiries. You may call the RRB at (312) 751-3320. In addition, you may E-Mail us with your inquiries at taxation@mcs.com and may visit us on the Internet at <http://www.rrb.gov>.

You may want to photocopy and retain this Form RRB-1099-R (12-92) for income verification and record keeping purposes.

Please be sure the RRB always has your current mailing address.

COMPUTER MATCHING AND PRIVACY PROTECTION ACT NOTICE

The Computer Matching and Privacy Act of 1988 requires the RRB to periodically advise you that information you have provided may be used, without your consent, in automated matching programs. These matching programs are a computer comparison of RRB records with records kept by other Federal, state, or local governmental agencies. Information from these matching programs can be used to verify a person's eligibility for federally funded or administered benefit programs and for repayment of payments or delinquent debts under these programs.

EXPLANATION OF ITEMS ON FORM RRB-1099-R (12-92)

BOX 3 - Total Contributions Recovered Through The Year Shown Above - An amount is shown only if the employee's contributions were not recovered before the tax year indicated on the tax statement. In Three-Year Rule cases, this box is the total amount of the NSSEB and the tier 2 portion paid from the annuity beginning date. In General Rule cases, this box is the total amount of the taxable NSSEB and/or tier 2 portion paid from the annuity beginning date. In both types of cases, this box includes amounts recovered from all beneficiaries covered under this claim number.

BOX 4 - Employee Contributions - This is the amount of railroad retirement payroll taxes paid by the employee that **exceeds** the amount that would have been paid in social security payroll taxes if the employee's railroad service had been covered under the Social Security Act. The employee contributions amount shown is the **latest** amount reported and is **not** a payment or income that was received in the tax year indicated on the tax statement. The total amount of the employee's contribution is shown only when the contributions were not recovered before the tax year indicated on the tax statement. If you are using the Simplified General Rule method to compute the taxable/nontaxable NSSEB/tier 2, this amount is the employee's cost in the plan (contract). If you or any member of your family had previous annuity entitlement that terminated between January 1, 1975, and December 31, 1983, you should contact the RRB, since the contribution amount may not be correct in those cases.

BOX 5 - Contributions Recovered - A check in either the **YES** or **NO** box indicates whether the employee's contributions have been fully recovered. If neither box is checked, payments with annuity beginning dates from July 2, 1986 through December 31, 1986 are under the General Rule; these payments have a permanent nontaxable amount and employee contribution recovery is not considered. A check in either the **Three-Year** or **General Rule** box indicates the tax rule which applies to your annuity.

BOX 6 - Rate of Tax - If you are a U.S. citizen, this item does **not** apply to you. If you are a nonresident alien, an entry in this item indicates the rate at which U.S. Federal income tax was withheld on the NSSEB, tier 2, VDB, and supplemental annuity payments that were paid to you during the period covered by this Form RRB-1099-R (12-92).

BOX 7 - Federal Tax Withheld - This is the total amount of U.S. Federal income tax withheld on your NSSEB, tier 2, VDB, and supplemental annuity payments during the period covered by this Form RRB-1099-R (12-92).

BOX 8 - Country - If you are a U.S. citizen, this item does **not** apply to you. If you are a nonresident alien, an entry in this item indicates the country of which you are a legal resident at the time you received railroad retirement payments for U.S. Federal income tax purposes during the period covered by this Form RRB-1099-R (12-92).

BOX 9 - Taxable Contributory Amount - This is the gross amount of any taxable NSSEB and tier 2 benefits paid in the tax year indicated less any taxable NSSEB and tier 2 repayments for that tax year. If the tax year for which the taxable NSSEB and tier 2 repayments were made are not known, those repayment amounts will appear in Box 13. Any nontaxable NSSEB and/or tier 2 benefits are **not** included in this amount. Therefore, this box may contain an amount less than you actually received. If payments received are not taxable, a **-0-** will be shown in this box.

BOX 10 - Taxable Vested Dual Benefit - This is the gross amount of vested dual benefit (VDB) payments paid in the tax year indicated on the tax statement less any VDB repayments for that tax year. If the tax year for which the VDB repayment(s) were made is unknown, those repayment amounts will appear in Box 13.

BOX 11 - Taxable Supplemental Annuity - This is the gross amount of supplemental payments paid in the tax year indicated on the tax statement less any supplemental annuity repayments for that tax year. If the tax year for which the supplemental annuity repayment(s) were made is unknown, those repayment amounts will appear in Box 13.

BOX 12 - Total Gross Taxable - This is the sum of Boxes 9, 10, and 11. If there is **no** amount in Box 13, enter the amount in Box 12 on line 16a of Form 1040, line 11a of Form 1040A, or on line 17a of Form 1040NR.

BOX 13 - Total Repaid - This is the sum of the taxable NSSEB, tier 2, VDB and supplemental annuity repaid (repayments) for prior years and repayments that we have not identified as a current year repayment made to the RRB in the tax year indicated. Any repaid for the tax year shown on the tax statement have been deducted from the paid components. To determine the year(s) to which the repayment applies, contact the RRB. The way you will handle the repayments will depend on the years to which the repayment applies, and whether you had included the benefits that you repaid in your gross income for those years. Get **IRS Pub. 575, Pension and Annuity Income**, for instructions on how to handle prior year repayments for income tax purposes.

BOX 14 - Contributory Amount Paid - This item will **not** be completed for tax statements dated prior to 1989. For tax years 1989 through 1991, this is the gross NSSEB and tier 2 benefits paid in the tax year indicated on the tax statement. This figure is provided along with the information in Box 15 to employees and/or survivors of deceased employees covered under the General Rule provisions. They may wish to use the Simplified General Rule method to compute their taxable NSSEB and tier 2 benefits.

BOX 15 - Number of Monthly Payments - This item will **not** be completed for tax statements dated prior to 1989. For tax years 1989 through 1991, this is the gross NSSEB and tier 2 benefits paid in the tax year indicated on the tax statement. Along with Box 14, this information is provided to compute the Simplified General Rule method. If an asterisk (*****) is shown in this box, contact the RRB **only** if you decide to compute your taxable NSSEB/tier 2 using the Simplified General Rule method and need this information.